## AMENDED IN ASSEMBLY MARCH 12, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

## **ASSEMBLY BILL**

No. 2111

## **Introduced by Assembly Member Campos**

February 23, 2012

An act to amend Section 14025 of the Corporations Code, relating to small business financial development corporations. An act to amend Sections 36005 and 36105 of, and to add Sections 531 and 553 to, the Vehicle Code, relating to vehicles.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2111, as amended, Campos. Small business financial development eorporations. Vehicle registration: exemptions.

Existing law lists specified implements of husbandry that are exempt from vehicle registration requirements, including, but not limited to, an all-terrain vehicle used in agricultural operations. Existing law also exempts a trailer or semitrailer owned and used exclusively by a farmer to haul specified items used exclusively for the production or harvesting of agricultural products from vehicle registration requirements.

This bill would add a rough-terrain vehicle, which the bill would define, used in agricultural operations to the list of implements of husbandry that are exempt from vehicle registration requirements. The bill also would add a shade trailer, which the bill would define, to this list of items that the exempt trailer or semitrailer described above is permitted to haul.

Existing law, the California Small Business Financial Development Corporation Law, creates the California Small Business Board and the California Small Business Expansion Fund. Existing law authorizes the formation of small business financial development corporations to grant

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loans from, or guarantee loans made by a financial institution or financial company against, moneys awarded to the corporation from the expansion fund for the purpose of stimulating small business development. Existing law authorizes or requires the director designated by the Secretary of Business, Transportation and Housing to perform specified duties.

This bill would require the director to cause the names of the financial institutions and financial companies making direct loans under the program to be posted on the agency's Internet Web site.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 531 is added to the Vehicle Code, to read:
- 2 531. "Rough-terrain vehicle" means a motor vehicle subject
- 3 to subdivision (a) of Section 38010 that is all of the following:
  - (a) Designed for operation off of the highway.
- 5 (b) Suspended on four or more tires.

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- 6 (c) Has a steering wheel for steering control.
- SEC. 2. Section 553 is added to the Vehicle Code, to read: 7
- 553. "Shade trailer" means a device designed and utilized to provide shade pursuant to Section 3395 of Title 8 of the California 10 Code of Regulations.
  - SEC. 3. Section 36005 of the Vehicle Code is amended to read: 36005. An implement of husbandry includes, but is not limited to, all of the following:
    - (a) A lift carrier or other vehicle designed and used exclusively for the lifting and carrying of implements of husbandry or tools used exclusively for the production or harvesting of agricultural products, when operated or moved upon a highway.
- 18 (b) A trailer of the tip-bed type when used exclusively in the 19 transportation of other implements of husbandry or tools used 20 exclusively for the production or harvesting of agricultural products.
- 22 (c) A trailer or semitrailer having no bed, and designed and used 23 solely for transporting a hay loader or swather.
- (d) A spray or fertilizer applicator rig used exclusively for 24 25 spraying or fertilizing in the conduct of agricultural operations.
- 26 This subdivision does not apply to anhydrous ammonia fertilizer

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applicator rigs which have a transportation capacity in excess of 500 gallons.

- (e) (1) A trailer or semitrailer that has a maximum transportation capacity in excess of 500 gallons, but not more than 1,000 gallons, used exclusively for the transportation and application of anhydrous ammonia, if the vehicle is either equipped with operating brakes or is towed upon a highway by a motortruck that is assigned a manufacturer's gross vehicle weight rating of ¾ ton or more.
- (2) These vehicles are subject to Section 24603 if the stoplamps of the towing vehicle are not clearly visible.
- (3) For purposes of this subdivision, a combination of vehicles is limited to two vehicles in tandem.
- (f) A nurse rig or equipment auxiliary to the use of and designed or modified for the fueling, repairing, or loading of an applicator rig or an airplane used for the dusting, spraying, fertilizing, or seeding of crops.
  - (g) A row duster.

- (h) A wagon or van used exclusively for carrying products of farming from one part of a farm to another part thereof, or from one farm to another farm, and used solely for agricultural purposes, including any van used in harvesting alfalfa or cotton, which is only incidentally operated or moved on a highway as a trailer.
- (i) A wagon or portable house on wheels used solely by shepherds as a permanent residence in connection with sheep raising operations and moved from one part of a ranch to another part thereof or from one ranch to another ranch, which is only incidentally operated or moved on a highway as a trailer.
- (j) Notwithstanding subdivision (f) of Section 36101, a trap wagon, as defined in Section 36016, moved from one part of a ranch to another part of the same ranch or from one ranch to another, which is only operated or moved on a highway incidental to agricultural operations. The fuel tank or tanks of the trap wagon shall not exceed 1,000 gallons total capacity.
- (k) Any vehicle that is operated upon a highway only for the purpose of transporting agricultural products and is in no event operated along a highway for a total distance greater than one mile from the point of origin of the trip.
  - (1) A portable honey-extracting trailer or semitrailer.

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(m) A fertilizer nurse tank or trailer that is not self-propelled and which is moved unladen on the highway and auxiliary to the use of a spray or fertilizer applicator rig.

- (n) Any cotton trailer when used on the highways for the exclusive purpose of transporting cotton from a farm to a cotton gin, and returning the empty trailer to such farm, except that Section 5014 shall apply to such trailers.
- (o) A truck tractor or truck tractor and semitrailer combination specified in this subdivision which is owned by a farmer and operated on the highways, (1) only incidental to a farming operation, (2) not for compensation, and (3) for a distance of not more than two miles (on the highway) each way. This subdivision applies only to truck tractors with a manufacturer's gross vehicle weight rating over 10,000 pounds that are equipped with all-wheel drive and off-highway traction tires on all wheels, and only to semitrailers used in combination with such a truck tractor and exclusively in production or harvesting of tomatoes. The vehicles specified in this subdivision shall not be operated in excess of 25 miles per hour on the highways.
- (p) An all-terrain *or rough-terrain* vehicle used in agricultural operations.
- SEC. 4. Section 36105 of the Vehicle Code is amended to read: 36105. A trailer or semitrailer owned and used exclusively by a farmer to haul his *or her* own implements of husbandry, or a portable sanitary facility, shade trailer, or tools used exclusively for the production or harvesting of agricultural products is exempt from registration.

SECTION 1. Section 14025 of the Corporations Code is amended to read:

14025. The director shall do all of the following:

- (a) Administer this part.
- (b) In accordance with program resources, stimulate the formation of corporations and the use of branch offices for the purposes of making this program accessible to all areas of the state.
- (c) Expeditiously approve or disapprove the articles of incorporation and any subsequent amendments to the articles of incorporation of a corporation.
- 38 (d) Require each corporation to submit an annual written plan of operation.

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(e) Review reports from the Department of Financial Institutions and inform corporations as to what corrective action is required.

- (f) Examine, or cause to be examined, at any reasonable time, all books, records, and documents of every kind, and the physical properties of a corporation. The inspection shall include the right to make copies, extracts, and search records.
- (g) Cause the names of the financial institutions and financial companies making direct loans under the program to be posted on the agency's Internet Web site.